

STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION

Missouri Telephone & Telegraph, Inc.	:	
	:	
Application for Certificate of Service	:	05-0733
Authority to Provide Pay Telephone Service	:	
within the State of Illinois.	:	

ORDER

By the Commission:

On November 18, 2005, Missouri Telephone and Telegraph, Inc. (Mo T&T) filed a verified application with this Commission seeking a certificate of service authority to provide resold exchange and interexchange telecommunications services in the form of pay telephone service in Illinois. Mo T& T also sought waivers of Parts 710, 735 and 250 of the Illinois Administrative Code.

Pursuant to notice given in accordance with the law and the rules and regulations of the Commission, this matter came on for a hearing before a duly authorized Administrative Law Judge of the Commission at its offices in Chicago, Illinois, on December 7, 2005. At the conclusion of the hearing, the record was marked "Heard and Taken."

Testifying on behalf of Mo T&T was its President, Linda M. Harvey. Mo T&T is a Missouri Corporation that has been authorized to transact business in Illinois since 1995. Ms. Harvey's testimony established that Mo T&T's telephones have features that comply with finding nine (9) of the Order entered by this Commission in docket No. 84-0464. Specifically, those phones have: touch dialing; access to 911 emergency services and "O" operator without use of a coin; they are compliant with the statutes and rules concerning the use of pay stations by disabled persons; they are able to complete both local and long-distance phone calls; they are able to provide unlimited duration of local calls through the deposit of additional coins or other means of payment; and they have a message explaining the telephones' general operation, the name of the owner, the method of recording service problems and the method of receiving credit for faulty calls.

Ms. Harvey's and the other evidence provided established that the Applicant is a Missouri Corporation that is authorized to transact business in Illinois. Ms. Harvey sponsored as Exhibits the Applicant's financial statements, which demonstrate that the Mo T&T has the financial qualifications to provide telecommunications services in Illinois. Her testimony and the documentary evidence submitted established that the Applicant has the requisite technical, managerial and financial qualifications to provide telecommunications

services in Illinois. That evidence additionally established that the Applicant's management has the requisite training and experience in the telecommunications field.

Mo T&T has requested that the Commission make certain declarations and grant certain waivers of the Act, and from the rules and regulations of the Commission. The services the Applicant proposes to provide will be competitive telecommunications services, as described in Section 13-502(b) of the Act. Mo T&T is required to file tariffs with the Commission under Section 13-501 of the Act, describing the nature of its services, the applicable rates and charges and the terms and conditions of the service provider. If MO T&T files the required tariffs in compliance with Section 13-502(e) and the rules adopted thereunder in 83 Ill. Admin. Code Section 745, many of the provisions of the Act, as well as regulations adopted by the Commission in Title 83 of Illinois Administrative Code, will be inapplicable to the it.

Mo T&T seeks waivers of 83 Ill. Admin. Code Sections 710 and 735. Section 710 is entitled "Uniform System of Accounts for Telecommunications Carriers" and Section 735 is entitled "Procedures Governing the Establishment of Credit, Billing Deposits, Termination of Service and Issuance of Telephone Directories for Local Exchange Telecommunications Carriers in the State of Illinois."

Mo T&T's request for a waiver of 83 Ill. Admin. Code Section 710, which governs maintaining books and records under the Uniform System of Accounts, should be granted in order to reduce the economic burdens of regulation on a company that provides only competitive services. Its request for a waiver of Section 735 is denied, however, as it is not needed. The rules contained therein are not applicable to pay telephone services.

Mo T&T additionally seeks permission to keep its books and records at its principal place of business in Missouri, rather than Illinois, pursuant to 83 Ill. Adm. Code Section 250, which governs maintaining books and records in Illinois. This request should be granted, in accordance with Section 5-106 of the Act.

The Commission, having reviewed the entire record and being fully advised in the premises, is of the opinion and finds that:

- (1) the Commission has jurisdiction over the Applicant and of the subject-matter herein;
- (2) the Applicant, Missouri Telephone and Telegraph, Inc., a Missouri Corporation that is authorized to transact business in Illinois, is seeking to obtain a certificate of service authority pursuant to Section 13-404 in order to provide resold exchange and interexchange services throughout the State of Illinois, and as such, it provides "telecommunications services" within the meaning of Section 13-203 of the Act;
- (3) as is required by Section 13-404 of the Act, Missouri Telephone and Telegraph, Inc. possesses the requisite technical, financial and managerial

resources to provide telecommunications services throughout the state of Illinois;

- (4) the recitals of fact and conclusions stated in the above portions of this Order are supported by the record and are hereby adopted as findings of fact;
- (5) Missouri Telephone and Telegraph, Inc. is granted a waiver of 83 Ill. Admin. Code Section 710, governing the Uniform System of Accounts, provided that the it maintains its accounting records in accordance with Generally Accepted Accounting Principles in a level of detail similar to the accounting system it current uses and in sufficient detail to comply with all applicable tax laws;
- (6) pursuant to 83 Ill. Admin. Code Section 250, Missouri Telephone and Telegraph, Inc., should be allowed to maintain its books and records at its principal place of business in the state of Missouri;
- (7) Missouri Telephone and Telegraph, Inc., shall file with the Commission a tariff consisting of its rates, rules and regulations, in accordance with Sections 13-501 and 13-502 of the Act, to be effective upon proper filing, before commencing service;
- (8) Missouri Telephone and Telegraph Inc. should establish books of account so that its revenues from telecommunications services, subject to the public utility revenue tax, are segregated from the revenues it derives from business activities that are not regulated by the Commission;
- (9) the application of Missouri Telephone and Telegraph Inc. should be granted;
- (10) as a condition to granting this application, Missouri Telephone and Telegraph Inc. must comply with the requirements of Section 13-901 of the Public Utilities Act and any rules the Commission promulgates;
- (11) Missouri Telephone and Telegraph Inc. must operate its pay telephones in conformance with the guidelines set forth in Finding nine (9) of the Commission's Order in Docket 84-0442, and any guidelines set forth by this Commission.

IT IS THEREFORE ORDERED that Missouri Telephone and Telegraph, Inc., is hereby granted a Certificate of Service Authority pursuant to Section 13-404 of the Act and that its Certificate of Service Authority is as follows:

CERTIFICATE OF RESELLER AUTHORITY

IT IS HEREBY CERTIFIED that Missouri Telephone and Telegraph, Inc, is authorized to provide public pay telephone

services, through the resale of exchange and interexchange services pursuant to Section 13-404 of the Public Utilities Act within the State of Illinois.

IT IS FURTHER ORDERED that Missouri Telephone and Telegraph, Inc. is required to file with this Commission a tariff consisting of its rates, rules and regulations, to be effective upon proper filing, before commencing service.

IT IS FURTHER ORDERED that the Missouri Telephone and Telegraph, Inc. is granted its request for a waiver of 83 Ill. Adm. Code Section 710, regarding the Uniform System of Accounts, as long as it maintains its accounting records in accordance with Generally Accepted Accounting Principles.

IT IS FURTHER ORDERED that Missouri Telephone and Telegraph, Inc. is granted its request for a waiver of 83 Ill. Adm. Code Section 250, in order that it may keep its books and records at its principal place of business in the State of Missouri.

IT IS FURTHER ORDERED that, subject to the provisions of Section 10-113 of the Public Utilities Act and 83 Ill. Adm. Code Section 200.880, this Order is final; it is not subject to the Administrative Review Law.

By Order of the Commission this 8th day of February, 2006.

(SIGNED) CHARLES E. BOX

Chairman